



Tennessee Economic Update

November 18, 2016

Summary

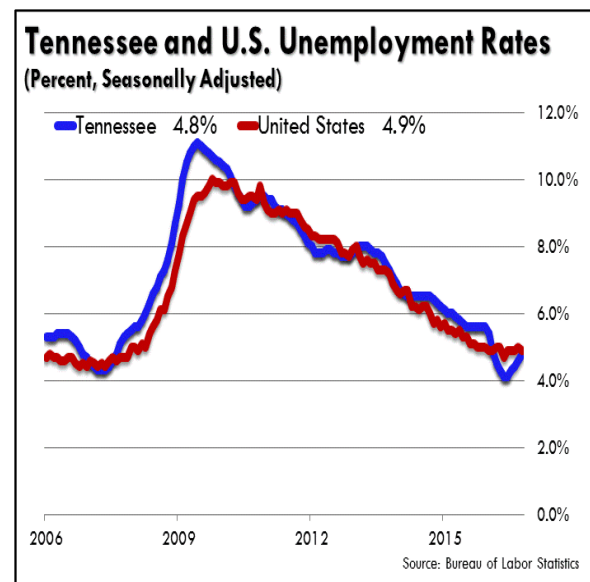
Nonfarm payroll employment in Tennessee increased by 7,500 jobs, and the unemployment rate rose to 4.8 percent in October according to data released by the Bureau of Labor Statistics (BLS).

Tennessee Unemployment Rate

During October, the unemployment rate in Tennessee increased by 0.2 percentage point to 4.8 percent. The number of people counted as unemployed rose by 5,193 in October to 151,217, while the labor force grew by 20,667 to 3,174,634. Among the 50 states and the District of Columbia, 24 posted lower unemployment rates for the month than Tennessee. A year earlier, the unemployment rate in Tennessee stood at 5.6 percent.

The 10-year peak for the unemployment rate in Tennessee was 11.1 percent in June 2009. The series high for the unemployment rate in Tennessee occurred in January 1983 when the unemployment rate reached 12.9 percent. The 10-year low for the unemployment rate in Tennessee was 4.1 percent in June 2016. The series low for the unemployment rate in Tennessee occurred in March 2000 when the unemployment rate was 3.7 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 4.9 percent in October. October's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Tennessee Payroll Employment

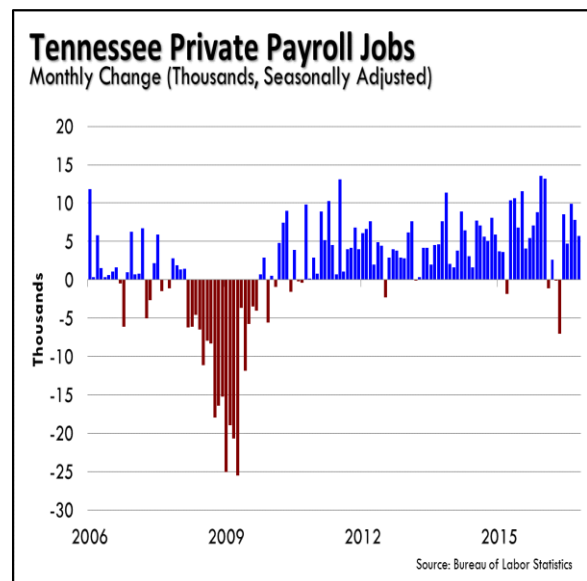
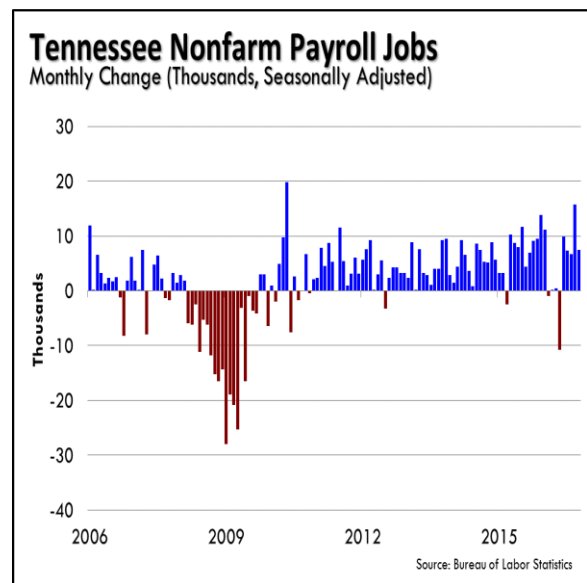
Tennessee nonfarm payrolls increased by 7,500 jobs, or 0.25 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 15,800. Over the past 12 months, nonfarm payrolls in Tennessee increased by 70,700, or 2.42 percent. Tennessee nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally, nonfarm payrolls increased by 161,000 jobs in October, or 0.11 percent. Over the 12-month period ending October 2016, nonfarm payrolls grew by 2,357,000 jobs, or 1.65 percent. Tennessee ranks 7th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Tennessee private-sector payrolls increased by 5,700, or 0.22 percent. Private-sector payrolls increased by 7,800 jobs in the prior month. Over the past 12 months, private-sector payrolls in Tennessee increased by 66,500, or 2.67 percent. Tennessee private-sector payroll employment has increased in 9 of the past 12 months.

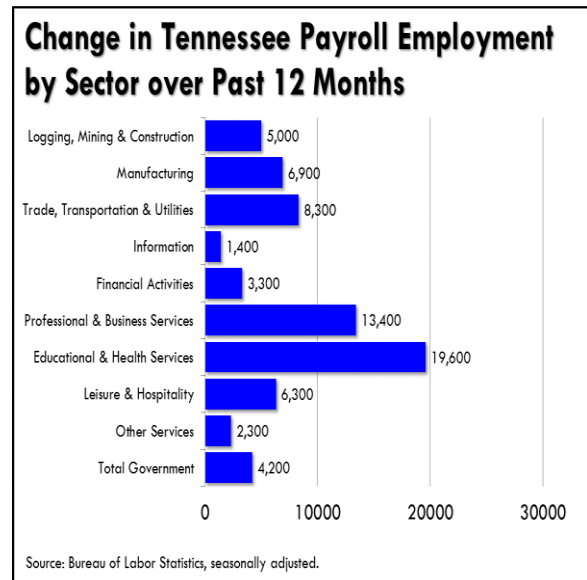
Nationally, private-sector payroll jobs increased by 142,000 jobs in October, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,149,000 jobs in the private-sector, an increase of 1.78 percent. Tennessee ranks 8th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

During October, total government payroll employment in Tennessee increased by 1,800, or 0.42 percent. Federal government payroll employment was unchanged. State government payroll employment increased by 1,100, or 1.14 percent, while local government payroll employment declined by 200, or 0.07 percent.



Over the past year, total government payroll employment increased by 4,200, or 0.98 percent. State government payroll employment increased by 1,200, or 1.24 percent. Local government payroll employment increased by 2,200, or 0.78 percent.

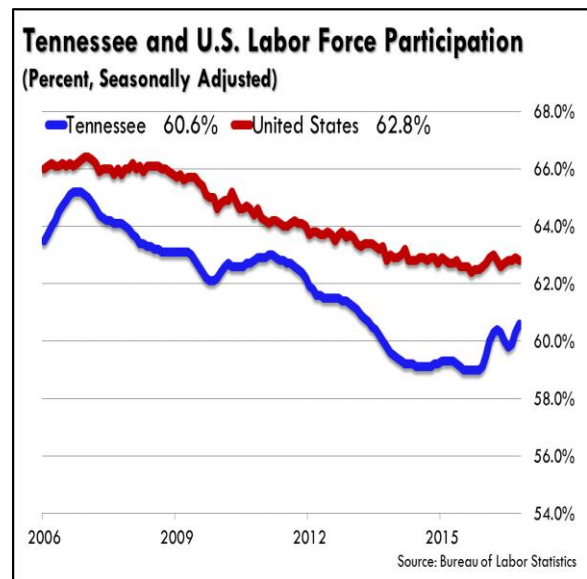
The best performing sectors on a seasonally adjusted basis during October were Leisure & Hospitality (+3,000) and Professional & Business Services (+2,900). The poorest performing sectors during the month were Trade, Transportation & Utilities (-1,500) and Information (-800).



The best performing sectors during the last twelve months were Educational & Health Services (+19,600) and Professional & Business Services (+13,400). The poorest performing sectors during the last twelve months were Information (+1,400) and Other Services (+2,300).

Other Tennessee Labor Force Statistics

The labor force participation rate in Tennessee rose to 60.6 percent in October from 60.3 percent the prior month. Among the 50 states and the District of Columbia, 38 have a higher labor force participation rate than Tennessee. The labor force participation rate in Tennessee is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10-year high for the labor force participation rate in Tennessee was 65.2 percent in November 2006. The series high for the labor force participation rate in Tennessee occurred in January 1995 when the labor force participation rate hit 67.4 percent. The 10-year low for the labor force participation rate was 59.0 percent in November 2015. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 58.6 percent.

The national labor force participation rate declined by 0.1 percentage point to 62.8 percent in October 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Tennessee civilian noninstitutionalized population 16 years and older counted as employed, rose to 57.7 percent in October from 57.5 percent the prior month. Among the 50 states and the District of Columbia, 38 have higher employment-to-population ratios than Tennessee. The employment-to-population ratio in Tennessee is 2.0 percentage points higher than a year earlier.

The 10-year high for the employment-to-population ratio in Tennessee was 62.0 percent in January 2007. The series high for the employment-to-population ratio in Tennessee occurred in January 1995 when the employment-to-population ratio hit 64.2 percent. The 10-year low for the employment-to-population ratio was 55.2 percent in September 2014. The series low for the employment-to-population ratio occurred in March 1983 when the employment-to-population ratio was 53.8 percent.

The national employment-to-population ratio declined by 0.1 percentage point to 59.7 percent in October. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on December 16, 2016. The national employment situation report for November will be released on Friday, December 2, 2016.

